

## REMARKS

Claims 1-18 are pending in the application. Claims 7-18 are withdrawn from consideration, and claims 1-6 remain present for consideration and stand rejected. Claims 1 and 6 are the independent claims now under consideration. Claims 1, 2 and 6 have been amended herein. No new matter has been added. Reconsideration of the pending rejections is now requested.

### **Claim Rejections under 35 USC § 101**

Claims 1-6 were rejected under 35 USC § 101 as allegedly directed to non-statutory subject matter.

To obviate the Examiner's notion that claims 1 and 6 do not require execution of a computer program by a computer, each of the claims has been amended to expressly recite computers running the computer program which generates the NOI audit reports. It is accordingly submitted that, at least as now presented, claims 1 and 6 clearly are directed to statutory subject matter. It is therefore respectfully submitted that the rejection under § 101 be reconsidered and withdrawn.

### **Claim Rejections under 35 USC § 112, second paragraph**

Claims 1-6 were rejected under 35 USC § 112, second paragraph, as being indefinite.

To overcome these rejections, claims 1, 2 and 6 have been amended. In general, language in the preambles of claims 1 and 6, which the Examiner considered only to indicate "intended use", has been removed from the preambles and placed within step limitations of those claims so as to positively recite limitations such as "a computer program" and "a plurality of audit firms". Also, other aspects of the claim language have been revised so that any required antecedent basis is now clearly present.

In view of these amendments, it is submitted that, at least as now presented, claims 1, 2 and 6 are sufficiently definite to satisfy the statute.

**Claim Rejections under 35 USC § 103(a)**

Claims 1-6 are rejected under 35 U.S.C. 103(a) as being unpatentable over the O Keefe article (“Audit fees, industry specialization, and compliance with GAAS reporting standards”).

Initially, applicant respectfully notes that the O Keefe article is not concerned with conducting audits of real estate properties, which is the subject matter of the claims now under consideration.

Claim 1 is directed to a “method” which includes “deploying a respective copy of a computer program to each of a plurality of audit firms”. Claim 1 recites that “each of the audit firms operat[es] independently of each other and ha[s] a reporting relationship with a common investment entity” and that “each of the plurality of audit firms [is] adapted to conduct an audit of a respective real estate property for the purpose of generating an associated set of current net operating income (NOI) values”. It is further recited in claim 1 that the “computer program includ[es] an interactive global NOI audit model and user-viewable standards, procedures, documentation, and reporting requirements” and is “adapted for receiving a respective first input data in connection with the respective real estate property and generating a respective current NOI audit report associated with said respective real estate property”. Claim 1 also recites that “each of the audit firms ha[s] a respective computer” and that the deploying “result[s] in each of the computers running said computer program”. The method of claim 1 further includes “inputting said respective first input data by at least some of the audit firms to said computer program” and “receiving by the investment entity a plurality of current NOI audit reports, each of said reports being generated by a respective copy of said deployed computer program and reflecting said received respective first input data”. Finally, claim 1 recites that “all said received current NOI audit reports have been developed by substantially identical audit practices resulting from the audit firms using said interactive global NOI audit model and user-viewable standards, procedures, documentation, and reporting requirements”.

Claim 6 is directed to a “method” which includes “inputting respective first input data by each of a plurality of audit firms into a respective copy of a computer program”. Claim 6 further recites that “said first input data correspond[s] to an associated real estate property” and “each of the plurality of audit firms operat[es] independently of each other and ha[s] a reporting

relationship with a common investment entity”. In addition, claim 6 recites that “each of the plurality of audit firms [is] adapted to conduct an audit of a respective real estate property for the purpose of generating an associated set of current net operating income (NOI) values”, that “all of said copies of said computer program [are] identical” and “said computer program [is] adapted to calculate a current NOI report from said first input data”. The method of claim 6 further includes “generating a respective current NOI audit report by running each of said copies of said computer program on a respective computer” and “transmitting to the investment entity said generated current NOI audit reports”.

The O Keefe article, upon which the Examiner relies, reports a study concerning audits of school districts in California. The reference states findings that the quality of audits (as measured by compliance with generally accepted accounting standards (GAAS)) is positively correlated with the amount of the audit fees and with the amount of industry-specific knowledge of the auditors.

Applicant respectfully submits that the rejections under § 103 are significantly flawed. For example, the Examiner asserts that

O Keefe discloses having an entity using computerized audit reports associated with net operating income (NOI) associated with real-estate property transactions.

However, applicant has reviewed the O Keefe article and finds that this characterization of the reference appears to be completely incorrect. That is, the article does not mention computerized audit reports, does not mention NOI, and has nothing to do with audits of real-estate property transactions. Thus the Examiner’s reliance on the O Keefe reference appears to be totally without support in the reference itself.

In fact, the O Keefe reference is essentially irrelevant to the subject matter of claims 1 and 6. The only relationship between O Keefe and the present invention, which is entirely a tangential relationship, is that both are related to the subject of auditing. As such, the O Keefe reference completely fails to provide a suitable basis for rejecting claims 1 and 6.

Moreover, the Examiner seems not to have addressed specific limitations recited in the claims. For example, the Examiner does not discuss the limitation of claim 1 regarding “deploying a respective copy of a computer program to each of a plurality of audit firms”, nor

the limitation of claim 6 regarding "inputting respective first input data by each of a plurality of audit firms into a respective copy of a computer program". Also, there is no disclosure of these features in the O Keefe reference.

At least for these reasons, it is submitted that the rejections of claims 1 and 6 under § 103 are in error and should be reconsidered and withdrawn.


Claims 2-5 are dependent on claim 1 and are submitted as patentable on the same basis as claim 1. In addition, at least some features of the dependent claims (e.g., "generating a respective underwriting NOI audit report"--in claim 2-- and "generating a respective consolidated NOI summary report"--in claim 3) have not been addressed by the Examiner and are not disclosed in the O Keefe reference.

**Conclusion**

Accordingly, Applicant respectfully requests allowance of claims 1-6. If any issues remain, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is kindly invited to contact the undersigned via telephone at (203) 972-3460.

Respectfully submitted,

<sup>2</sup>  
July 1, 2004  
Date

  
\_\_\_\_\_  
Nathaniel Levin  
Registration No. 34,860  
Buckley, Maschoff & Talwalkar LLC  
Five Elm Street  
New Canaan, CT 06840  
(203) 972-3460